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ward is not matched by a greater supply of money. Prices have fallen of late because the amount of money has not increased so rapidly as have the amounts of goods. If the production of money had increased so that the supply had kept pace with the demand, prices would never have fallen. That is, prices fell since 1873, not because there were industrial improvements, but because the influences of these improvements did not extend to money as well as to goods. It may be that social justice is best served by limiting the increase of the currency in such times as we have just passed through—that is another question. But certainly, the fact that prices have fallen under the peculiar circumstances which have prevailed since 1871, is not even evidence against the classical quantity theory.

W. F.

A Scientific Solution of the Money Question. By ARTHUR KITSON.
Boston: Arena Publishing Co., 1895. 12mo. pp. 418.

MR. KITSON's book is much more than a discussion of money. It is a violent and confident attack upon the whole science of economics. Not only the fundamental principles of political economy but its spirit and methods as well are most emphatically denounced as unscientific and vicious. Mr. Kitson makes much of this charge that the present economics is unscientific, and he returns again and again to the attack. He repeatedly asserts that economic conduct must always be moral, and he finds it a great fault of the orthodox economics that the conduct which it describes is at times immoral, and results in social ill. But this implies a misapprehension as to the nature of science. Economics aims to tell us, in the form of general propositions, what men do about wealth, whether their conduct is moral, immoral or indifferent. It is no more logical or just to hold economists to account for the immoral conduct which they describe than it would be to blame scientific pathologists for the sad results of the morbid processes of which they treat.

It is not easy to assign just the proper proportions of praise and blame to Mr. Kitson for his specific teachings. That he is perfectly honest and very much in earnest is certain. But an untrained man of becoming modesty should hesitate to denounce as worthless those principles of social science which have been worked out by combined efforts of scores of master minds. Yet the accepted beliefs as to the factors and processes of production and as to the laws of value are lightly

declared unsatisfactory by Mr. Kitson ; and he confidently goes on to give the world a sounder science.

Most characteristic of Mr. Kitson's temper, more characteristic even than what he says specifically about the currency, is his treatment of interest in chapter xvii. "Wealth," says he, "is wholly unproductive." "All wealth is the production of labor." "The act of lending entails neither loss, deprivation, nor inconvenience of any sort." Interest is, therefore, unjustifiable. It is "nothing else than a system of robbery and extortion," "the modern demand of the highwayman, your money or your life ;" "its spirit is that of petty jealousy, of envy—that eldest-born of hell." All this, of course, is merely an outburst of that curious socialistic fallacy which makes labor alone productive, and would assign all the product to the laborers ; and it is needless to give here another refutation. If labor alone is productive, Mr. Kitson and others of his belief should go ahead and produce independently of capital ; they certainly have the labor force in them.

All this discussion of the methods and general principles of economics is merely preparation for Mr. Kitson's crowning achievement, the scientific solution of the money question. He notes, as all thinkers note, many imperfections in gold and silver money, particularly their instability of value and the great cost at which they are produced for society. Most of all, however, does he complain of the hard natural limitation on the supply ; and to it he ascribes most of the present evils of the world, the poverty and the wretchedness. What we need is more money, the more the better. It is impossible to give here even a summary of his argument. His fundamental error is his assumption that the money holding class is a conscienceless, malevolent power always alert to distress the world by monopolizing the medium of exchange ; and his solution is to make money in unlimited amounts. Let the issue and use of metallic money be forever brought to an end. You may, if you find it best, use gold now as a means of determining the true relative values of commodities ; but henceforth there is no need of specie. Substitute therefor printed slips of paper issuable by perfectly free mutual banks to anybody who has any sort of product, and "redeemable, not in one but in all commodities." Government should abolish all monetary laws, and there should be absolutely no obstacle to the issue of any money that anybody can be induced to accept. Freedom of issue would not result in the emission of unsafe money, for commercial honor would prevent. All commodities would be in ne-

tizable," and not gold alone. There would be an unlimited amount of such money, and industry could never stagnate for lack of a medium of exchange; for every product would create its own means of circulation. Interest and all its attendant evils would cease; for every man could make his own money. These new monetary units would be invulnerable, and the world would, therefore, be rid of the curse of rising and falling general prices.

It is probably unnecessary to pass any formal criticism on such a scheme. It rests upon principles of production and value and upon assertions of fact which have over and over again been shown to be false. But the most astounding part of the whole book is the suggestion that the true relative value of goods could for all time be accurately reflected by a paper currency based thus upon the scale of gold prices which prevailed at some particular time. It would be impossible, as it would be impossible to show by a single instantaneous photograph the relative positions of the people in a throng of dancers or skaters during an hour. It would be as impossible thus to dispense with the "intrinsically valuable" measure of values after once building up a scale of relative values on it, as it would be to dispense with the foundations of a house after completing the superstructure.

W. F.

The Railway Revolution in Mexico. By BERNARD MOSES. San Francisco: The Berkeley Press, 1895. 12mo. pp. vi + 90.

THIS collection of vacation notes, written for the most part in the course of an extended trip over the railways of Mexico, outlines, in an admirable manner, certain changes which have been effected in that country by the recent expansion of railway enterprise. Most students of economics and history are acquainted in a general way with the nature of the economic and social influences of improved methods of transportation. These phenomena are matters of everyday observation. But just because they are of such universal observation, they are apt to be looked upon as matters of course, which may be taken for granted as sufficiently understood without detailed analysis. The conduct and internal management of particular railway enterprises as such, has accordingly appeared to be a more attractive subject for investigation than their activity as economic agencies in society. The present essay is therefore very opportune, and is of additional interest also in